BEFORE THE DEPARTMENT OF TRANSPORTATION WASHINGTON, D.C.

In the Matter of)	
)	
2005/2006 U.SCHINA AIR SERVICES)	
CASE AND DESIGNATIONS)	Docket OST-2004-19077
)	

ANSWER OF UNITED AIR LINES, INC. TO THE PETITION FOR RECONSIDERATION OF AMERICAN

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DATED: September 14, 2004

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United Air Lines, Inc. ("United"), hereby answers the Petition of American Airlines, Inc. ("American") dated September 10, 2004 (the "Petition"). United objects to the Petition only to the extent its grant would prevent United or any other carrier from submitting passenger traffic forecasts for the 12 months ending March 31, 2006, for the 2005 selection and March 31, 2007, for the 2006 selection.

United has requested seven of the weekly U.S.-China combination service frequencies that will be available for allocation in either 2005 or 2006 to introduce daily roundtrip service between San Francisco and Guangzhou. If awarded frequencies for service in 2005, United would initially operate the route on a one-stop basis via Tokyo and after 12 months upgrade the service to nonstop. If awarded the frequencies for

 $^{^{1/}}$ See Application of United Air Lines, Inc., for Frequency Allocation dated August 30, 2004, Docket OST-2004-19026.

²/ Continental filed an answer to United's application requesting that the Department dismiss United's application on the grounds that incumbents should not be considered for an award of frequencies available in 2005/2006. Answer of Continental Airlines, Inc., dated August 31, 2004, Cont'd.

service commencing in 2006, United would immediately introduce daily nonstop service from the onset on March 25, 2006. In light of this proposal, by which United is proposing distinctly different services in each of the two forecast years, United must be allowed to submit traffic forecasts both for the 12 months ending March 31, 2006, and for the 12 months ending March 31, 2007, reflecting the results of these differing services and their impact on the marketplace. This information is necessary to allow the Department to evaluate fairly and fully the merits of United's proposal and would not prejudice other parties, such as American, who should be free to file one or two forecasts as they see fit (so long as they are prepared to take the risk that their single year forecast may not be fully comparable with those of other carriers which have separately forecast each year).

WHEREFORE, United respectfully requests that the Department deny

American's Petition to the extent it would prevent United from submitting passenger

traffic forecasts for the 12 months ending March 31, 2006, as well as for the 12 months

Docket OST-2004-19026, pp. 3,4. This issue is moot as the Department has consolidated United's application into this proceeding. Order 2004-9-5, p. 2, n. 4.

ending March 31, 2007, and that it grant United such other relief as the Department may deem appropriate.

Respectfully submitted,

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DATED: September 14, 2004

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CERTIFICATE OF SERVICE

I hereby certify that I have this date served a copy of the foregoing Answer of United Air Lines, Inc., to Petition for Reconsideration of American by electronic mail upon the following:

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Kathleen Knowlton

DATED: September 14, 2004